

Chapter- 5

ANALYSIS OF PROBLEMS OF BORROWERS

In order to attain the 2nd objective of the present research work, an attempt has been made to analyse the problems of select borrowers of State Bank of India (SBI) and Punjab National Bank (PNB) with respect to priority sector lending in **Kurnool district**. The field survey was conducted on 360 borrowers, out of which 216 from SBI and 144 from PNB. The responses of borrowers have been compared across the select Bank (SBI & PNB), Mandals and Sectors.

1. Profile of Borrowers**Table 5.1: Demographic Profile of Borrowers**

Items	Details	Total	
		No.	Percent
Gender	Male	270	75
	Female	90	25
	Total	360	100
Age	Below 30	48	13.33
	30-40	134	37.22
	40-50	113	31.39
	Above 50	65	18.06
	Total	360	100
Education	Under-Metric	57	15.83
	HSLC	86	23.89
	HS	81	22.5
	Graduate	87	24.17
	PG/ Professional	49	13.61
	Total	360	100
Annual Income	Up-to 1 Lakh	90	25
	1-3 Lakhs	92	25.56
	3-5 Lakhs	111	30.83
	above 5 Lakhs	67	18.61
	Total	360	100

Source: Compiled from field Survey

Table 5.1 depicts that 75 percent of the Total sample borrowers were male i.e., 270 out of 360 borrowers and remaining 25 percent were female. Out of Total borrowers 13.33 percent of borrowers belong to the age group of 20-30 years. Out of the Total borrowers 37.22 percent

borrowers were in the age group of 30-40 years followed by 31.39 percent in the age group of 40-50 and 18.06 percent in the age group of above 50 years. More than 50 percent of the Total borrowers belong to age group of below 40 years. Further, 24.17 percent of borrowers were HSLC passed followed by 23.89 percent HS, 22.50 percent were graduate, 15.83 percent were under-metric and 13.61 percent were post-graduate and professionals. Out of the Total borrowers 30.83 percent borrower belonged to the income group of Rs. 3-5 lakh followed by 25.56 percent from the income group of Rs. 1-3 lakh, 25 percent from the income group of upto Rs. 1 lakh and 18.61 percent from the income group of above Rs. 5 lakh.

2. Information pertaining to the study

Table 5.2: Bank & Sector wise number of respondents

Banks	Agriculture		MSME		OPS		Total	
	No.	percent	No.	percent	No.	percent	No.	percent
SBI	115	53.24	44	20.37	57	26.39	216	60
PNB	77	53.47	32	22.22	35	24.31	144	40
Total	192	53.33	76	21.11	92	25.56	360	100

Source: Compiled from field Survey

Table 5.2 shows bank and sector wise borrowers of priority sector. Out of the Total borrowers 60 percent borrowers are granted loan from SBI and remaining 40 percent borrowers avail loan from PNB. Out of the Total borrowers of SBI, 53.24 percent avail agriculture loan followed by 26.39 percent other priority sector and 20.37 percent avail MSME loan. The borrowers of PNB, 53.47 percent avail agriculture loan followed by 24.31 percent other priority sector loan and 22.22 percent MSME loan. The value of Chi-square statistic is 0.288. The p-value is .866. Thus, the result is not significant at $p < 0.05$. The value of Chi-square indicated that no significant differences existed among bank wise borrowers regarding loan getting banks.

Table 3.3: Bank-wise amount of loan avail

Banks	Below Rs. 50000		Rs. 50000- Rs. 1 Lakh		Rs. 1 Lakh- Rs. 3 Lakhs		Rs. 3 Lakhs- Rs. 5 Lakhs		Above Rs. 5 Lakhs		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
SBI	73	33.80	56	25.93	42	19.44	27	12.50	18	8.33	216	60.00
PNB	51	35.42	37	25.69	24	16.67	18	12.50	14	9.72	144	40.00
Total	124	34.44	93	25.83	66	18.33	45	12.50	32	8.89	360	100.00

Source: Compiled from field Survey

Table 5.3 shows bank-wise amount of loan avail by the borrowers. Out of the Total borrowers 33.44 percent borrowers avail loan below Rs. 50000 followed by 25.83 percent borrowers ranging from Rs. 50000-1 lakh, 18.33 percent borrowers ranging from 1 lakh-3 lakhs and 12.50 percent borrowers ranging from Rs. 3 lakh to 5 lakhs. Bank-wise analysis reveals that out of the Total borrowers of SBI 33.80 percent borrowers avail loan below Rs. 50000 followed by 25.93 borrowers between Rs. 50000-1 lakhs, 19.44 percent borrowers between Rs. 1 lakh-3 lakhs, 12.50 percent between 3-5 lakhs and 8.33 percent above 5 lakhs. In case of PNB, 35.42 percent borrowers avail loan below Rs. 50000 followed by 25.69 borrowers between Rs. 50000-1 lakhs, 16.67 percent borrowers between Rs. 1 lakh-3 lakhs, 12.50 percent between 3-5 lakhs and 9.72 percent above 5 lakhs. The Chi-square statistic is 0.618. The p-value is 0.960. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among bank wise borrowers regarding amount of loan avail.

Table 5.4: Mandal-wise loan avail

Mandal	Below Rs. 50000		Rs. 50000- Rs. 1 Lakh		Rs. 1 Lakh- Rs. 3 Lakhs		Rs. 3 Lakhs- Rs. 5 Lakhs		Above Rs. 5 Lakhs		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
Kallur	35	38.89	20	22.22	15	16.67	13	14.44	7	7.78	90	25.00
Kumool	28	31.11	25	27.78	17	18.89	10	11.11	10	11.11	90	25.00
Orvakal	31	34.44	22	24.44	23	25.56	8	8.89	6	6.67	90	25.00
Adoni	30	33.33	26	28.89	11	12.22	14	15.56	9	10.00	90	25.00
Total	124	34.44	93	25.83	66	18.33	45	12.50	32	8.89	360	100.00

Source: Compiled from field Survey

Table 5.4 shows mandal-wise responses regarding amount of loan avail reveals that majority of borrowers of entire Mandal avail loan below Rs. 50000 followed by 28.89 percent borrowers of Adoni Mandal and 27.78 percent borrowers of Kumool Mandal avail loan between Rs 50000-1 lakhs. 25.56 percent borrowers of Orvakal Mandal avail loan between Rs 1 lakh- 3 lakhs. The Chi-square statistic is 9.635. The p-value is 0.648. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among Mandal wise borrowers regarding amount of loan avail.

Table 5.5 depicts Sector-wise distribution of loan avail by the borrowers. The majority of borrowers are from agriculture sector i.e., 51.04 percent borrowers avail loan below Rs 50000 followed by 38.02 percent borrowers avail loan between Rs. 50000-1 lakhs. Within the SME sector 35.53 percent borrowers had avail loan between RS. 1 lakh-3 lakhs followed by 21.05 percent borrowers had avail loan between RS. 3 lakh-5 lakhs. It was also found that 27.17 percent

borrowers of other priority sector had avail loan between RS. 1 lakh-3 lakhs followed by 26.09 percent borrowers had avail loan between RS. 3 lakhs -5 lakhs.

Table 5.5: Sector wise loan avail

Sector	Below Rs. 50000		Rs. 50000-Rs. 1Lakh		Rs. 1 Lakh-Rs. 3 Lakhs		Rs. 3 Lakhs-Rs. 5 Lakhs		Above Rs. 5 Lakhs		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
Agriculture	98	51.04	73	38.02	14	7.29	5	2.60	2	1.04	192	53.33
SME	9	11.84	11	14.47	27	35.53	16	21.05	13	17.11	76	21.11
OPS	17	18.48	9	9.78	25	27.17	24	26.09	17	18.48	92	25.56
Total	124	34.44	93	25.83	66	18.33	45	12.50	32	8.89	360	100.00

Source: Compiled from field Survey

The Chi-square statistic is 148.057. The p-value is < 0.00001. The result is significant at $p < .05$. Value of Chi-square indicated existence of significant differences among sector wise borrowers regarding amount of loan avail.

Table: 5.6: Bank-wise adequacy of loan

Banks	Yes		No		Total	
	No.	percent	No.	percent	No.	percent
SBI	69	31.94	147	68.06	216	60
PNB	53	36.81	91	63.19	144	40
Total	122	33.89	238	66.11	360	100

Source: Compiled from field Survey

Table 5.6 shows the amount of loan sanctioned by the bank has not always match with the needs of the borrowers. Bank-wise responses of borrowers showed that majority of the borrowers of both the bank avail inadequate amount of loan. 68.06 percent borrowers of SBI and 63.19 percent borrowers of PNB found the loan amount inadequate. The Chi-square statistic is 0.9113. The p-value is 0.339774. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among bank wise borrowers regarding adequacy of loan amount.

Table 5.7 depicts Mandal-wise responses of borrowers clearly indicate that majority of borrowers from each Mandal found the loan amount inadequate. The responses of borrowers

regarding insufficient loan amount was highest in Kumool Mandal (70 percent) and lowest in Kallur Mandal (60 percent).

Table: 5.7: Mandal-wise adequacy of loan

Mandal	Yes		No		Total	
	No.	percent	No.	percent	No.	percent
Kallur	36	40.00	54	60.00	90	25
Kumool	27	30.00	63	70.00	90	25
Orvakal	30	33.33	60	66.67	90	25
Adoni	29	32.22	61	67.78	90	25
Total	122	33.89	238	66.11	360	100

Source: Compiled from field Survey

The Chi-square statistic is 2.2317. The p-value is 0.526. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among Mandal wise borrowers regarding adequacy of loan amount.

Table: 5.8: Sector-wise adequacy of loan

Sector	Yes		No		Total	
	No.	percent	No.	percent	No.	percent
Agriculture	51	26.56	141	73.44	192	53.33
SME	28	36.84	48	63.16	76	21.11
OPS	43	46.74	49	53.26	92	25.56
Total	122	33.89	238	66.11	360	100

Source: Compiled from field Survey

Sector-wise analysis reveals that responses of borrowers regarding inadequacy of loan amount was highest in agriculture sector (73.44 percent) followed by SME sector (63.16 percent) and other priority sector (53.26 percent). The Chi-square statistic is 11.676. The p-value is .0029. The result is significant at $p < .05$. Value of Chi-square indicated that existence of significant differences among bank wise borrowers regarding adequacy of loan amount.

Table 5.8 shows that majority of borrowers depended on friend or relatives (48.74 percent) for additional fund followed by selling of own assets (20.59). The majority borrowers of the bank i.e., 51.02 percent of SBI and 45.05 percent of PNB depended on friends and relatives to fill the credit gap followed by 21.98 percent borrowers managed through selling of own assets. Out of

total, 19.78 percent borrowers of PNB and 17.69 percent borrowers of SBI forced to borrow money from money lender and 13.19 percent borrowers of PNB and 11.56 percent borrowers of SBI borrow money from other financial institutions due inadequacy of loan amount.

Table: 5.8: Bank-wise sources of additional fund

Banks	Friends/Relatives		Money lender		Other financial institution		Selling of own Assets		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
SBI	75	51.02	26	17.69	17	11.56	29	19.73	147	61.76
PNB	41	45.05	18	19.78	12	13.19	20	21.98	91	38.24
Total	116	48.74	44	18.49	29	12.18	49	20.59	238	100.00

Source: Compiled from field Survey

The Chi-square statistic is 0.8032. The p-value is 0.848704. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among bank wise borrowers regarding loan sources of additional fund.

Table: 5.9. Mandal wise sources of additional fund

Mandal	Friends/Relatives		Money lender		Other financial institution		Selling of own Assets		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
Kallur	21	38.89	12	22.22	7	12.96	14	25.93	54	25
Kumool	32	50.79	11	17.46	7	11.11	13	20.63	63	25
Orvakal	34	56.67	9	15.00	6	10.00	11	18.33	60	25
Adoni	29	47.54	12	19.67	9	14.75	11	18.03	61	25
Total	116	48.74	44	18.49	29	12.18	49	20.59	238	100

Source: Compiled from field Survey

Table 5.9 shows Mandal-wise responses that 56.67 percent borrowers from Sorupatar Mandal, 50.79 percent borrowers of Kumool Mandal, 47.54 percent borrowers of Kathaguri Mandal and 38.89 percent borrowers of Kallur Mandal depended on friends and relatives for their additional requirement of fund. 25.93 percent and 22.22 borrowers of Kallur Mandal filled the credit gap by selling their own assets and taking loan from money lender respectively. The Chi-square statistic is 4.5465. The p-value is 0.871. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among Mandal wise borrowers regarding loan sources of additional fund.

Table: 5.10. Sector-wise Sources of additional fund

Sector	Friends/Relatives		Money lender		Other financial institution		Selling of own Assets		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
Agriculture	76	53.90	25	17.73	8	5.67	32	22.70	141	59.24
SME	19	39.58	8	16.67	12	25.00	9	18.75	48	20.17
OPS	21	42.86	11	22.45	9	18.37	8	16.33	49	20.59
Total	116	48.74	44	18.49	29	12.18	49	20.59	238	100.00

Source: Compiled from field Survey

Table 5.10 shows Sector-wise responses of borrowers reveal that borrowers of agriculture sector (53.90 percent) followed by other priority sector (42.86 percent) and MSME sector (39.58 percent) managed the credit gap with the help of friends and relatives. It is found that 25 percent borrowers MSME sector filled the credit gap with the help of other financial institutions followed by 22.70 percent borrowers of agriculture sector by selling of own assets and 22.45 percent borrowers of other priority sector with the help of money lender. The Chi-square statistic is 16.2172. The p-value is .012635. The result is significant at $p < .05$. Value of Chi-square indicated existence of significant differences among sector wise borrowers regarding loan sources of additional fund.

2. Problems faced by borrowers in filling up loan application form

Table: 5.11: Bank wise Filling up loan Application form

Banks	Yourself		Help of Others		Help of Bank Employee		Total	
	No.	percent	No.	percent	No.	percent	No.	percent
SBI	48	22.22	113	52.31	55	25.46	216	60
PNB	29	20.14	68	47.22	47	32.64	144	40
Total	77	21.39	181	50.28	102	28.33	360	100

Source: Compiled from field Survey

Table 5.11 shows that out of the total borrowers, 50.28 percent of borrowers filled up their loan application form with the help of friends, relative, neighbours and some facilitation centre followed by 28.33 percent of borrowers filled up their loan application form with the help of bank employee and remaining 21.39 percent borrowers filled up the loan application form from their own. Bank wise opinion of borrowers regarding filled up of loan application form shown that 52.31 percent borrowers of SBI and 47.22 percent borrowers of PNB have filled up their loan application form with the help of others. The Chi-square statistic is 2.1913. The p-value is 0.334. The result is not

significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among bank wise borrowers regarding filling up their loan application form.

Table: 5.12: Mandal wise Filling up Loan Application Form

Mandal	Yourself		Help of Others		Help of Bank Employee		Total	
	No.	percent	No.	percent	No.	percent	No.	percent
Kallur	19	21.11	53	58.89	18	20	90	25
Kumool	16	17.78	39	43.33	35	38.89	90	25
Orvakal	14	15.56	47	52.22	29	32.22	90	25
Adoni	28	31.11	42	46.67	20	22.22	90	25
Total	77	21.39	181	50.28	102	28.33	360	100

Source: Compiled from field Survey

Table 5.12 shows Mandal-wise opinion of borrowers revealed that majority of borrowers of all Mandal filled up their loan application form with the help of others. It was seen that 58.89 percent borrowers of Kallur Mandal filled up their loan application form with the help of others followed by 52.22 percent borrowers of Orvakal Mandal, 46.67 percent borrowers of Adoni Mandal and 43.33 percent borrowers of Kumool Mandal. The Chi-square statistic is 15.8645. The p-value is .0145. The result is significant at $p < .05$. Value of Chi-square indicated existence of significant differences among Mandal wise borrowers regarding filling up their loan application form.

Table: 5.13: Sector wise Filling up Loan Application Form

Sector	Yourself		Help of Others		Help of Bank Employee		Total	
	No.	percent	No.	percent	No.	percent	No.	percent
Agriculture	16	8.33	112	58.33	64	33.33	192	53.33
SME	23	30.26	36	47.37	17	22.37	76	21.11
OPS	38	41.30	33	35.87	21	22.83	92	25.56
Total	77	21.39	181	50.28	102	28.33	360	100.00

Source: Compiled from field Survey

Table 5.13 highlight the sector-wise opinion of borrowers regarding fill up of loan application form. Out of the total borrowers of agriculture sector 58.33 percent of borrowers filled up their loan application form with the help of others followed by 33.33 percent of borrowers with the help of bank employee and 8.33 percent borrowers filled up loan application form from their own. 47.37 percent of borrowers of SME sector filled up their loan application form with the help of others followed by 30.26 percent of borrowers filled up loan application form from their own and 22.37 percent borrowers filled up with the help of bank employee. In case of other priority sector borrowers, 41.30 percent filled up loan application form from their own followed by 35.87 percent of

borrowers with the help of others and 22.83 percent of borrowers with the help of bank employee. The Chi-square statistic is 45.1968. The p-value is < 0.00001 . The result is significant at $p < .05$. Value of Chi-square indicated existence of significant differences among bank wise borrowers regarding filling up their loan application form. Value of Chi-square indicated existence of significant differences among sector wise borrowers regarding filling up their loan application form.

3. Difficult to fillup application form

Table 5.14: Bank Wise Difficult to fillup application form

Banks	Yes		No		Total	
	No.	percent	No.	percent	No.	percent
SBI	189	87.50	27	12.50	216	60
PNB	128	88.89	16	11.11	144	40
Total	317	88.06	43	11.94	360	100

Source: Compiled from field Survey

It was observed that majority i.e., 88.06 percent of borrowers faced difficulty in fill up of loan application form. Bank-wise distribution of borrowers shown that 87.50 percent borrowers of SBI and 88.89 percent borrowers of PNB felt difficulty in fill up of application form. Only 12.50 percent borrowers of SBI and 11.11 percent borrowers of PNB felt easy in fill up of application form. The Chi-square statistic is 0.1585. The p-value is .690576. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among bank wise borrowers regarding difficulty in filling up their loan application form.

Table 5.15: Mandal Wise Difficult to fillup application form

Mandal	Yes		No		Total	
	No.	percent	No.	percent	No.	percent
Kallur	83	92.22	7	7.78	90	25
Kumool	81	90.00	9	10.00	90	25
Orvakal	79	87.78	11	12.22	90	25
Adoni	74	82.22	16	17.78	90	25
Total	317	88.06	43	11.94	360	100

Source: Compiled from field Survey

Table 5.15 shows Mandal-wise opinion of borrowers that 92.22 percent borrowers of Kallur Mandal felt difficulty in fill up application form followed by Kumool, Orvakal and Adoni Mandals with

the respective percentage of 90 percent, 87.78 percent and 82.22 percent. The Chi-square statistic is 4.7275. The p-value is .192877. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among Mandal wise borrowers regarding difficulty in filling up their loan application form.

Table 5.16. Sector-wise Difficult to fillup application form

Sector	Yes		No		Total	
	No.	percent	No.	percent	No.	percent
Agriculture	184	95.83	8	4.17	192	53.33
SME	60	78.95	16	21.05	76	21.11
OPS	73	79.35	19	20.65	92	25.56
Total	317	88.06	43	11.94	360	100

Source: Compiled from field Survey

Sector-wise analysis given in table 5.16 reveals that 95.83 percent borrowers of agriculture sector felt difficulty in fill up application form followed by 79.35 percent borrowers of other priority sector and 78.95 percent borrowers of small and medium enterprise sector. Whereas 21.05 percent borrowers of small and medium enterprise sector felt easy in fill up application form followed by 20.65 percent borrowers of other priority sector and 4.17 percent of borrowers of agriculture sector. The Chi-square statistic is 23.6701. The p-value is < 0.00001 . The result is significant at $p < .05$. Value of Chi-square indicated existence of significant differences among sector wise borrowers regarding difficulty in filling up their loan application form.

4. Time taken for Sanction of Loan

Table 5.17: Bank wise Time taken for Sanction of Loan

Banks	Less than 15 days		15-30 days		1-2 months		More than 2 months		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
SBI	31	14.35	64	29.63	78	36.11	43	19.91	216	60
PNB	26	18.06	49	34.03	42	29.17	27	18.75	144	40
TOTAL	57	15.83	113	31.39	120	33.33	70	19.44	360	100

Source: Compiled from field Survey

The time avail from the date of applying for the loan to the date of sanction the loan by the bank is called as time avail for sanctioning the loan. The table reveals that 33.33 percent of the Total borrowers have avail their loan sanctioned between 1-2months followed by 31.39 percent borrowers have avail their loan amount sanctioned between 15-30 days, 19.44 percent borrowers

have avail their loan amount sanctioned after 2 months and 15.83 percent borrowers have avail their loan amount sanctioned in less than 15 days. Bank-group wise time avail for sanction the loan presented shows that 14.35 percent borrowers of SBI and 18.06 percent borrowers of PNB have reported to get the their loan sanctioned in less than 15 days. However, 29.63 percent borrowers of SBI and 34.03 percent borrowers of PNB were avail their loan amount sanctioned between 15-30 days. 36.11 percent borrowers of SBI and 29.17 percent of PNB able to sanctioned the loan between 1-2 months. Whereas, in the case of 19.91 percent borrowers of SBI and 18.75 percent of PNB loan was sanctioned in more than 2 months. The Chi-square statistic is 2.5905. The p-value is .459156. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among bank wise borrowers regarding time avail for sanction their loan.

Table 5.18: Mandal wise Time taken for Sanction of Loan

Mandal	Less than 15 days		15-30 days		1-2 months		More than 2 months		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
Kallur	12	13.33	28	31.11	33	36.67	17	18.89	90	25
Kumool	15	16.67	32	35.56	29	32.22	14	15.56	90	25
Orvakal	14	15.56	23	25.56	35	38.89	18	20.00	90	25
Adoni	16	17.78	30	33.33	23	25.56	21	23.33	90	25
Total	57	15.83	113	31.39	120	33.33	70	19.44	360	100

Source: Compiled from field Survey

Mandal wise analysis regarding time avail for sanctioning the loan in the table 5.18 reveals that 17.78 percent of the borrowers of Kallur Mandal have to get their loan sanctioned within 15 days of the date of application. The corresponding percentage in Kumool, Orvakal and Kallur Mandals are 16.67, 15.56 and 13.33 respectively. Borrowers avail their loan sanctioned within 15-30 days are 35.56 percent in Kumool Mandal, 33.33 percent in Adoni Mandal, 31.11 percent in Kallur Mandal and 25.56 percent in Orvakal Mandal. Time avail for sanctioning the bank loan need 1-2 months in case of 38.89 percent borrowers of Orvakal Mandal followed by 36.67 percent borrowers of Kallur Mandal, 32.22 percent borrowers of Kumool Mandal and 25.56 percent borrowers of Adoni Mandal. It avail more than 2 months of time for 23.33 percent borrowers of Adoni Mandal followed by 20 percent borrowers of Orvakal Mandal, 18.89 percent borrowers of Kallur branch and 15.56 percent borrowers of Kumool Mandal for sanctioning the loan. The Chi-square statistic is 6.4267. The p-value is .696571. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among Mandal wise borrowers regarding time avail for sanction their loan.

Table 5.19: Sector wise Time taken for Sanction of Loan

Sector	Less than 15 days		15-30 days		1-2 months		More than 2 months		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
Agriculture	21	10.94	60	31.25	66	34.38	45	23.44	192	53.33
SME	13	17.11	24	31.58	27	35.53	12	15.79	76	21.11
OPS	23	25.00	29	31.52	27	29.35	13	14.13	92	25.56
Total	57	15.83	113	31.39	120	33.33	70	19.44	360	100.00

Source: Compiled from field Survey

Sector-wise classification of borrowers exhibited in the table 5.19 shown that more than 67 percent borrowers of small and medium sector avail the loan sanction between 15 days to 2 months from the date of application compared to 65.63 percent borrowers in case of agriculture sector and 60.87 percent borrowers of other priority sector. In the case of other priority sector 25 percent borrowers had sanctioned their loan within 15 days compared to 10.94 percent of borrowers of agriculture sector and 17.11 percent of borrowers of small and medium enterprise sector. It was avail more than 2 months for 23.44 percent borrowers of agriculture sector to sanctioned the loan followed by 15.79 percent borrowers of small and medium enterprise sector and 14.13 percent of other priority sector. The Chi-square statistic is 11.9125. The p-value is .063951. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among sector wise borrowers regarding time avail for sanction their loan.

5. Number of visits to bank for sanctioning of loan

Table 5.20: Bank wise Number of visits to bank for sanctioning of loan

Banks	1-3 times		4-6 times		7-9 times		10 or more than 10 times		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
SBI	28	12.96	83	38.43	69	31.94	36	16.67	216	60
PNB	17	11.81	55	38.19	43	29.86	29	20.14	144	40
Total	45	12.50	138	38.33	112	31.11	65	18.06	360	100

Source: Compiled from field Survey

From the table 5.20 it was found that 38.33 percent of the Total borrowers had to visit the bank 4-6 times for sanctioning the loan followed by 31.11 percent of borrowers visited 7-9 times, 18.06 percent borrowers visited 10 times or more than 10 times and 12.50 percent borrowers visited 1-3 times. Bank-wise responses of borrowers regarding number of time visited for sanctioning the loan depicts that 38.43 percent borrowers of SBI and 38.19 percent borrowers of PNB visited 4-6 times

to sanctioned their loan followed by 7-9 times of visit by 31.94 percent borrowers of SBI and 29.86 percent borrowers of PNB. It was seen that 12.96 percent borrowers of SBI and 11.81 percent borrowers of PNB able to sanctioned their loan only after visiting 1-3 times. The Chi-square statistic is 0.7913. The p-value is .851557. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among bank wise borrowers regarding number of times visited for sanction their loan.

Table 5.21: Mandal wise Number of visits to bank for sanctioning of loan

Mandal	1-3 times		4-6 times		7-9 times		10 or more than 10 times		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
Kallur	15	16.67	37	41.11	27	30.00	11	12.22	90	25
Kumool	8	8.89	40	44.44	23	25.56	19	21.11	90	25
Orvakal	10	11.11	32	35.56	26	28.89	22	24.44	90	25
Adoni	12	13.33	29	32.22	36	40.00	13	14.44	90	25
Total	45	12.50	138	38.33	112	31.11	65	18.06	360	100

Source: Compiled from field Survey

Mandal-wise responses regarding number of time visited for sanctioning their loan reveals that 44.44 percent borrowers of Kumool Mandal, 41.11 percent borrowers of Kallur Mandal, 35.56 percent borrowers of Orvakal Mandal and 32.22 percent borrowers of Adoni Mandal able to sanctioned their loan after visiting 4-6 times to the bank. It was seen that 40 percent borrowers of Adoni Mandal, 30 percent borrowers of Kallur Mandal, 28.89 percent borrowers of Orvakal Mandal and 25.56 percent borrowers of Kumool Mandal get their loan sanctioned after visiting 7-9 times to the bank. Only 8.89 percent borrowers of Kumool Mandal, 11.11 percent borrowers of Orvakal Mandal, 13.33 percent borrowers of Adoni Mandal and 16.67 percent borrowers of Kallur Mandal able to sanctioned their loan after visiting 1-3 times to the bank. The Chi-square statistic is 12.697. The p-value is .176802. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among Mandal wise borrowers regarding number of times visited for sanction their loan.

Table 5.22 shows sector-wise opinion of borrowers regarding number of time visited for sanctioning their loan. It was avail 4-6 times of visit for 41.15 percent borrowers of agriculture sector to sanctioning their loan followed by 35.53 percent borrowers of small and medium enterprise sector and 34.78 percent borrowers of other priority sector. 34.38 percent borrowers of

agriculture sector, 26.32 percent borrowers of small and medium enterprise sector and 28.26 percent borrowers of other priority sector able to sanction their loan after visiting 7-9 times. Only 5.21 percent borrowers of agriculture sector, 21.05 percent borrowers of small and medium enterprise sector and 20.65 percent borrowers of other priority sector able to sanction their loan only after visiting 1-3 times.

Table 5.22: Sector wise Number of visits to bank for sanctioning of loan

Sector	1-3 times		4-6 times		7-9 times		10 or more than 10 times		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
Agriculture	10	5.21	79	41.15	66	34.38	37	19.27	192	53.33
SME	16	21.05	27	35.53	20	26.32	13	17.11	76	21.11
OPS	19	20.65	32	34.78	26	28.26	15	16.30	92	25.56
Total	45	12.50	138	38.33	112	31.11	65	18.06	360	100.00

Source: Compiled from field Survey

The value of Chi-square indicated that no significant differences existed among bank wise borrowers regarding number of times visited for sanction their loan. The value of Chi-square indicated that no significant differences existed among bank wise borrowers regarding number of times visited for sanction their loan. The Chi-square statistic is 20.1711. The p-value is .002582. The result is significant at $p < .05$. Value of Chi-square indicated existence of significant differences among sector wise borrowers regarding number of times visited for sanction their loan.

6. Reason for Delay in Sanction of Loan

Table 5.23: Bank wise Reason for Delay in Sanction of Loan

Banks	Paucity of Bank Staff		Unnecessary Delay		Callous Attitude of Staff		Excessive Documentation		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
SBI	34	15.74	56	25.93	45	20.83	81	37.50	216	60
PNB	30	20.83	36	25.00	26	18.06	52	36.11	144	40
Total	64	17.78	92	25.56	71	19.72	133	36.94	360	100

Source: Compiled from field Survey

Out of Total borrowers, 36.94 percent borrowers said that excessive documentation is the main cause for delay in sanctioning the loan followed by unnecessary delay. 19.27 percent borrowers expressed that callous attitude of borrowers also responsible for delay in sanction the loan. Paucity

of bank staff or field officer also responsible for delay in loan sanction which was said 17.78 percent of borrowers. Table 5.23 depict bank wise borrowers' responses regarding causes for delay in loan sanction. 37.5 percent borrowers of SBI and 36.11 percent borrowers of PNB expressed that excessive documentation is the main reason for delay in loan sanction followed by unnecessary delay which was said 25.93 percent borrowers of SBI and 25 percent borrowers of PNB. Callous attitude of staff is also responsible for delay in loan sanction was said 20.83 percent borrowers of SBI and 18.06 percent borrowers of PNB. The 15.74 percent borrowers of SBI and 20.83 percent borrowers of PNB considered paucity of bank staff is also another reason for delay in loan sanctioned. The Chi-square statistic is 1.6725. The p-value is .643055. The result is not significant at $p < .05$. Statistically insignificant differences existed among bank wise borrowers regarding reason for delay sanction their loan.

Table 5.24: Mandal wise Reason for Delay in Sanction of Loan

Mandal	Paucity of Bank Staff		Unnecessary Delay		Callous Attitude of Staff		Excessive Documentation		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
Kallur	13	14.44	27	30.00	15	16.67	35	38.89	90	25
Kumool	17	18.89	22	24.44	17	18.89	34	37.78	90	25
Orvakal	19	21.11	19	21.11	21	23.33	31	34.44	90	25
Adoni	15	16.67	24	26.67	18	20.00	33	36.67	90	25
Total	64	17.78	92	25.56	71	19.72	133	36.94	360	100

Source: Compiled from field Survey

Table 5.24 depict that 38.89 percent borrowers of Kallur Mandal, 37.78 percent borrowers of Kumool Mandal, 36.67 percent borrowers of Adoni Mandal and 34.44 percent borrowers of Orvakal Mandal attributed excessive documentation is the main reason for delay in loan sanctioned. Unnecessary delay by bank official is also another reason for delay in loan sanction was said by 30 percent borrowers of Kallur branch followed by 26.67 percent borrowers of Adoni branch, 24.44 percent borrowers of Kumool Mandal and 21.11 percent borrowers of Orvakal Mandal. It was found that callous attitude of staff or bank officials also responsible for late in loan sanctioned which was expressed by 23.33 percent, 20 percent, 18.89 percent and 16.67 percent borrowers of Orvakal, Adoni, Kumool and Kallur Mandal respectively. The Chi-square statistic is 4.0478. The p-value is .908241. The result is not significant at $p < .05$. Statistically insignificant differences existed among Mandal wise borrowers regarding reason for delay sanction their loan.

Table 5.25: Sector wise Reason for Delay in Sanction of Loan

Sector	Paucity of Bank Staff		Unnecessary Delay		Callous Attitude of Staff		Excessive Documentation		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
Agriculture	35	18.23	44	22.92	34	17.71	79	41.15	192	53.33
SME	12	15.79	23	30.26	16	21.05	25	32.89	76	21.11
OPS	17	18.48	25	27.17	21	22.83	29	31.52	92	25.56
Total	64	17.78	92	25.56	71	19.72	133	36.94	360	100.00

Source: Compiled from field Survey

Table 5.25 shows sector-wise borrowers opinion regarding reason for delay in loan sanction. In case of agriculture sector, 41.15 percent borrowers attributed excessive documentation is the main reason for delay in loan sanctioned followed by unnecessary delay, paucity of bank staff and callous attitude of bank officials. 32.89 percent borrowers of small and medium enterprise sector and 31.52 percent borrowers of other priority sector borrowers also attributed excessive documentation as a major reason for delay in loan sanctioned. The Chi-square statistic is 4.3924. The p-value is .623734. The result is not significant at $p < .05$. Statistically insignificant differences existed among sector wise borrowers regarding reason for delay sanction their loan.

7. Fund Utilisation, Diversion & Repayment of Loan

Table 5.26: Mandal wise Utilisation of Loan Amount

Banks	Fully Utilised		Partly Utilised		Not Utilised		Total	
	No.	percent	No.	percent	No.	percent	No.	percent
SBI	65	30.09	127	58.80	24	11.11	216	60
PNB	41	28.47	90	62.50	13	9.03	144	40
Total	106	29.44	217	60.28	37	10.28	360	100

Source: Compiled from field Survey

Out of the Total borrowers, 60.28 percent borrowers partly utilised their loan amount whereas 29.44 percent borrowers utilised their loan amount fully for the purpose for which loan was avail. 10.28 percent borrowers have not utilised their loan amount for their schedule productive purpose.

Table 5.26 shows borrowers responses regarding utilisation of loan amount for productive purposes. It was found that 30.09 percent borrowers of SBI and 28.47 percent borrowers of PNB

fully utilised their loan amount whereas 62.50 percent borrowers of PNB and 58.80 percent borrowers of SBI utilised their loan amount partly for which loan was avail. However 11.11 percent borrowers of SBI and 9.03 percent borrowers of PNB have not utilised their loan amount for which loan was avail. Value of Chi-square indicated that no significant differences existed among bank wise borrowers regarding utilisation of loan amount. The Chi-square statistic is 0.6385. The p-value is .726683. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among sector wise borrowers regarding utilisation of loan amount.

Table 5.27: Mandal wise Utilisation of Loan Amount

Mandal	Fully Utilised		Partly Utilised		Not Utilised		Total	
	No.	percent	No.	percent	No.	percent	No.	percent
Kallur	23	25.56	56	62.22	11	12.22	90	25
Kumool	27	30.00	53	58.89	10	11.11	90	25
Orvakal	32	35.56	48	53.33	10	11.11	90	25
Adoni	24	26.67	60	66.67	6	6.67	90	25
Total	106	29.44	217	60.28	37	10.28	360	100

Source: Compiled from field Survey

Table 5.27 highlight mandal-wise borrowers responses regarding utilisation of loan. The majority of borrowers of all Mandal have partially utilised their loan amount. However, 35.56 percent borrowers of Orvakal Mandal fully utilised their loan amount for which loan was avail followed by 30 percent borrowers of Kumool Mandal, 26.67 percent borrowers of Adoni Mandal and 25.56 percent borrowers of Kallur Mandal. It was also seen that 12.12 percent borrowers of Kallur Mandal have not utilised their loan amount in productive purposes followed by 11.11 percent borrowers of both Kumool as well as Orvakal Mandal and 6.67 percent borrowers of Adoni Mandal. The Chi-square statistic is 4.8584. The p-value is .562099. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among Mandal wise borrowers regarding utilisation of loan amount.

Table 5.28 depicts sector-wise borrowers responses regarding utilisation of loan amount. Within the agriculture sector, 74.48 percent borrowers partly utilised their loan amount and 13.54 percent borrowers fully utilised their loan amount whereas 11.98 percent borrowers not utilised their loan amount for the purpose for which loan was avail. 47.37 percent borrowers of

small and medium enterprise sector partly utilised their loan amount properly followed by 44.74 percent borrowers fully utilised their loan and 7.89 percent have not utilised their loan. It was noted that 50 percent borrowers of other priority sector borrowers fully utilised their loan amount followed by 41.30 borrowers partly utilised their loan amount and 8.70 percent borrowers have not utilise their loan properly.

Table 5.28: Sector wise Utilisation of Loan Amount

Sector	Fully Utilised		Partly Utilised		Not Utilised		Total	
	No.	percent	No.	percent	No.	percent	No.	percent
Agriculture	26	13.54	143	74.48	23	11.98	192	53.33
SME	34	44.74	36	47.37	6	7.89	76	21.11
OPS	46	50.00	38	41.30	8	8.70	92	25.56
Total	106	29.44	217	60.28	37	10.28	360	100.00

Source: Compiled from field Survey

The Chi-square statistic is 50.9335. The p-value is < 0.00001 . The result is significant at $p < .05$. The value of Chi-square indicated existence of significant differences among sector wise borrowers regarding utilisation of loan amount.

8. Reason for Fund Diversion

Table 5.29: Bank wise Reason for Fund Diversion

Banks	Inadequacy of Loan Amount		Untimely Credit or Delay on Disbursement		Repayment of Old Debt		Amount Spent on Social Ceremonies		Amount Spent on Better Investment		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
SBI	36	23.84	52	34.44	15	9.93	37	24.50	11	7.28	151	59.45
PNB	21	20.39	37	35.92	14	13.59	23	22.33	8	7.77	103	40.55
Total	57	22.44	89	35.04	29	11.42	60	23.62	19	7.48	254	100.00

Source: Compiled from field Survey

Out of the total borrowers 35.04 percent borrowers diverted their loan amount due to delay on disbursement of loan followed by 23.62 percent borrowers due to amount spent on social ceremonies, 22.44 percent borrowers due to inadequacy of loan amount, 11.42 percent borrowers due to repayment of old debt and 7.48 percent borrowers due amount spent on better investment. Bank wise borrowers responses regarding reason for fund diversion shown in table 5.29 reveals that 35.92 percent borrowers of PNB and 34.44 percent borrowers of SBI diverted their loan

amount due to untimely credit or delay on disbursement followed by 24.50 percent borrowers of SBI due to amount spent on social ceremonies, 23.84 percent borrowers of SBI due to inadequacy of loan amount. The Chi-square statistic is 1.2231. The p-value is .87428. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among bank wise borrowers regarding reason for fund diversion.

Table 5.30: Mandal wise Reason for Fund Diversion

Mandal	Inadequacy of Loan Amount		Untimely Credit or Delay on Disbursement		Repayment of Old Debt		Amount Spent on Social Ceremonies		Amount Spent on Better Investment		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
Kallur	11	16.42	28	41.79	7	10.45	15	22.39	6	8.96	67	26.38
Kumool	15	23.81	21	33.33	10	15.87	13	20.63	4	6.35	63	24.80
Orvakal	17	29.31	18	31.03	8	13.79	12	20.69	3	5.17	58	22.83
Adoni	14	21.21	22	33.33	4	6.06	20	30.30	6	9.09	66	25.98
Total	57	22.44	89	35.04	29	11.42	60	23.62	19	7.48	254	100.00

Source: Compiled from field Survey

Mandal-wise borrowers' responses regarding reason for fund diversion have shown in the table 5.30 reveals that maximum borrowers of the entire Mandal diverted their loan amount due to untimely credit or delay in disbursement of loan. However, 30.30 percent borrowers of Adoni Mandal diverted their loan amount due to amount spent on social ceremonies followed by 29.31 percent borrowers of Orvakal Mandal due to inadequacy of loan amount. The Chi-square statistic is 9.424. The p-value is .666353. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among Mandal wise borrowers regarding reason for fund diversion.

Table 5.31 shows sector-wise borrowers responses regarding reason for fund diversion. It was found that within the agriculture sector, 38.24 percent borrowers diverted their loan due to untimely credit or delay in disbursement followed by 22.94 percent borrowers due to inadequacy of loan amount, 21.76 percent borrowers due to amount spent on social ceremonies and 11.76 percent borrowers due to repayment of old debt. In case of MSME sector, 28.95 percent borrowers diverted their loan amount due to amount spent on social ceremonies followed by 23.68 percent borrowers due to untimely credit, 21.05 percent borrowers due to inadequacy of loan amount, 10.53 percent borrowers due to repayment of old debt and 15.79 percent borrowers due to amount spent on

better investment. It was found that 32.61 percent borrowers of other priority sector diverted their loan due to delay in disbursement followed by 26.09 percent borrowers due amount spent on social ceremonies, 21.74 percent borrowers due to inadequacy of bank loan, 10.87 percent borrowers due to repayment of old debt and 8.70 percent borrowers due to amount spent on better investment.

Table 5.31: Sector wise Reason for Fund Diversion

Sector	Inadequacy of Loan Amount		Untimely Credit or Delay on Disbursement		Repayment of Old Debt		Amount Spent on Social Ceremonies		Amount Spent on Better Investment		Total	
	No.	%	No.	percent	No.	%	No.	%	No.	%	No.	%
Agriculture	39	22.94	65	38.24	20	11.76	37	21.76	9	5.29	170	66.93
SME	8	21.05	9	23.68	4	10.53	11	28.95	6	15.79	38	14.96
OPS	10	21.74	15	32.61	5	10.87	12	26.09	4	8.70	46	18.11
Total	57	22.44	89	35.04	29	11.42	60	23.62	19	7.48	254	100.00

Source: Compiled from field Survey

The Chi-square statistic is 7.5968. The p-value is .473815. The result is not significant at $p < .05$. Value of Chi-square indicated that no significant differences existed among sector wise borrowers regarding reason for fund diversion.

9. Loan Repayment Schedule

Table 5.32: Bank wise Loan Repayment Schedule

Banks	Monthly		Quarterly		Half Yearly		Yearly		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
SBI	78	36.11	27	12.50	95	43.98	16	7.41	216	60
PNB	51	35.42	16	11.11	67	46.53	10	6.94	144	40
Total	129	35.83	43	11.94	162	45.00	26	7.22	360	100

Source: Compiled from field Survey

Out of the Total borrowers, 45 percent borrowers repay their loan in half yearly instalment basis followed by 35.83 percent borrowers repay their loan in monthly instalment, 11.94 percent borrowers repay their loan in quarterly instalment and only 7.22 percent borrowers repay their loan in yearly instalment. Bank-wise borrowers respondent regarding loan repayment schedule shown in the table 5.32 indicates that 46.53 percent borrowers of PNB and 43.98 percent borrowers of SBI

avail half yearly instalment system for repay their loan followed by 36.11 percent borrowers of SBI and 35.42 percent borrowers of PNB avail monthly instalment system for repay their loan. The Chi-square statistic is 0.3013. The p-value is .959786. The result is not significant at $p < .05$. No significant differences were observed between borrowers of different banks regarding loan repayment schedule.

Table 5.33: Mandal wise Loan Repayment Schedule

Mandal	Monthly		Quarterly		Half Yearly		Yearly		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
Kallur	34	37.78	10	11.11	37	41.11	9	10.00	90	25
Kumool	30	33.33	13	14.44	41	45.56	6	6.67	90	25
Orvakal	29	32.22	12	13.33	45	50.00	4	4.44	90	25
Adoni	36	40.00	8	8.89	39	43.33	7	7.78	90	25
Total	129	35.83	43	11.94	162	45.00	26	7.22	360	100

Source: Compiled from field Survey

Mandal-wise responses regarding loan payment system depict in table 5.33 reveals that maximum borrowers of entire Mandal repay their loan in half yearly instalment system followed by monthly instalment system. The Chi-square statistic is 5.2518. The p-value is .811829. The result is not significant at $p < .05$. No significant differences were observed between borrowers of different banks regarding loan repayment schedule.

Table 5.34: Sector wise Loan Repayment Schedule

Sector	Monthly		Quarterly		Half Yearly		Yearly		Total	
	No.	percent	No.	percent	No.	percent	No.	percent	No.	percent
Agriculture	0	0.00	15	7.81	156	81.25	21	10.94	192	53.33
SME	53	69.74	17	22.37	4	5.26	2	2.63	76	21.11
OPS	76	82.61	11	11.96	2	2.17	3	3.26	92	25.56
Total	129	35.83	43	11.94	162	45.00	26	7.22	360	100

Source: Compiled from field Survey

Sector-wise borrowers responses regarding loan repayment system shown in the table 5.34 reveal that 82.56 percent borrowers of other priority sector repay their loan in monthly instalment system followed by 81.25 percent borrowers of agriculture sector repay their loan in half yearly

instalment basis and 69.74 percent borrowers of MSME sector repay their loan in monthly instalment basis. The Chi-square statistic is 287.1284. The p-value is < 0.00001 . The result is significant at $p < .05$. Statistically significant differences were observed between borrowers of different banks regarding loan repayment schedule.